



Initial Poverty and Social Assessment

Project Number: 42128
April 2008

PHI: Pasuquin East Wind Farm Development Project

An initial poverty and social assessment (IPSA) is prepared in the early stage of the project cycle to assess the significance of social issues for a project. In accordance with ADB's public communications policy (PCP, 2005), the IPSA is disclosed upon completion. The final summary social assessment is included as an appendix to the project's report and recommendation of the President.

Asian Development Bank

INITIAL POVERTY AND SOCIAL ANALYSIS

Country and Project Title:	PHI: Preparing the Pasuquin East Wind Farm Development Project		
Lending or Financing Modality:	Project	Department and Division:	PSOD/PSIF2

I. POVERTY ISSUES
A. Linkages to the National Poverty Reduction Strategy and Country Partnership Strategy³
<p>1. Based on the country poverty assessment, the country partnership strategy and the sector analysis describe how the project would directly or indirectly contribute to poverty reduction and how it is linked to the poverty reduction strategy of the partner country.</p> <p>ADB's Country Strategy and Program in the Philippines (2005-2007) calls for interventions to address several constraints to more rapid poverty reduction in the Philippines. The Project will help address four of these constraints, namely (i) fiscal imbalance by bringing private sector investments in the power sector, (ii) inadequate infrastructure by augmenting power generation infrastructure, (iii) poor management of resources by providing an efficient and clean source of power, and (vi) geographical inequalities by augmenting the supply of power for the electrification of off-grid rural areas.</p>
B. Targeting Classification
<p>1. Select the targeting classification of the project: <input checked="" type="checkbox"/> General Intervention (GI) <input type="checkbox"/> Individual or Household (TI-H); <input type="checkbox"/> Geographic (TI-G); <input type="checkbox"/> Non-Income MDGs (TI-M1, M2, etc.)</p> <p>2. Explain the basis for the targeting classification: Improved power supply will improve living standards and indirectly reduce poverty in remote agricultural villages, generating income sources and livelihood opportunities.</p>
C. Poverty Analysis⁴
1. If the project is classified as TI-H, or if it is policy-based, what type of poverty impact analysis is needed? N/A
2. What resources are allocated in the project preparatory technical assistance (PPTA)/due diligence? N/A
3. If GI, is there any opportunity for pro-poor design (e.g., social inclusion subcomponents, cross subsidy, pro-poor governance, and pro-poor growth)? Project shall be designed so that any affected persons may also benefit from the project.
II. SOCIAL DEVELOPMENT ISSUES
A. Initial Social Analysis
Based on existing information:
1. Who are the potential primary beneficiaries of the project? How do the poor and the socially excluded benefit from the project? The project is expected to create opportunities for employment during construction and operations. Migration of workers population is expected to be minimum as qualified local workers from the nearby <i>barangays</i> will be preferred. Moreover, as part of the private sector sponsor's commitment to corporate social responsibility, community development projects will be developed in consultation with the local community.
2. What are the potential needs of beneficiaries in relation to the proposed project? Adverse social impacts are expected to be limited. Impacts and mitigation measures are being identified in the ongoing feasibility study. If involuntary resettlement impacts are identified, the appropriate resettlement planning document will be prepared in accordance with ADB's Involuntary Resettlement Policy (1995).
3. What are the potential constraints in accessing the proposed benefits and services, and how will the project address them? Local residents may need training or skill enhancements to improve their potential for employment in any work opportunities generated by the project.
B. Consultation and Participation⁵
1. Indicate the potential initial stakeholders. ⁶ Potential initial stakeholders include national and local government units, communities within the vicinity of the project site, and community and nongovernment organizations.

<p>2. What type of consultation and participation is required during the PPTA or project processing (e.g., workshops, community mobilization, involvement of nongovernment organizations and community-based organizations, etc.)? The project has already been discussed by ELPI with Department of Energy and the Department of Environment and Natural Resources prior to agreeing on the pre-commercial contract and the land use certificate, respectively. Additional consultations will be held with civil society and affected persons as part of the feasibility study. ELPI has already consulted with local provincial and municipal authorities. ELPI has a pending request with Provincial Board of Ilocos Norte for a resolution of support and endorsement of the project. The Municipalities of Burgos and Pasuquin are currently deliberating on the resolution of support and endorsement of the wind project. Subsequently, the respective <i>barangays</i>, Agaga and Sapat, are deliberating the resolution of support. Additional consultations with affected communities will be held in accordance with national laws and in the course of the environmental impact assessment. The private sector sponsor will ensure that consultation and disclosure activities also meet ADB's Public Communications Policy (2005) requirements in the event that the project is considered for ADB financing.</p>			
<p>3. What level of participation is envisaged for project design? <input checked="" type="checkbox"/> Information sharing <input checked="" type="checkbox"/> Consultation <input type="checkbox"/> Collaborative decision making <input type="checkbox"/> Empowerment⁷</p>			
<p>4. Will a consultation and participation plan be prepared? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain. Already underway by project sponsors. Social safeguard issues are not considered significant in this project.</p>			
<p>C. Gender and Development</p> <p>1. What are the key gender issues in the sector and/or subsector⁸ that are likely to be relevant to this project or program? None</p> <p>2. Does the proposed project or program have the potential to promote gender equality and/or women's empowerment by improving women's access to and use of opportunities, services, resources, assets, and participation in decision making?⁹ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain.</p> <p>3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?¹⁰ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please explain</p>			
<p>III. SOCIAL SAFEGUARD ISSUES AND OTHER SOCIAL RISKS¹¹</p>			
Issue	Nature of Social Issue	Significant/Limited/ No Impact/Not Known ¹²	Plan or Other Action Required ¹³
Involuntary Resettlement	During the conduct of the feasibility study, every measure will be taken to ensure that any land requirements of the project will not entail any physical and/or economic displacement.	If there are unavoidable nonsignificant involuntary resettlement (IR) impacts, a resettlement plan will be prepared as part of the ongoing assessments. The sponsor will ensure that the RP will comply with ADB's IR policy requirements.	<input type="checkbox"/> Full Plan <input type="checkbox"/> Short Plan <input type="checkbox"/> Resettlement Framework <input type="checkbox"/> No Action <input checked="" type="checkbox"/> Uncertain
Indigenous Peoples	There are no indigenous peoples who will be affected by the project.	No impacts	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action ¹⁶ <input type="checkbox"/> Indigenous Peoples Framework <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Labor <input type="checkbox"/> Employment Opportunities <input type="checkbox"/> Labor Retrenchment <input type="checkbox"/> Core Labor Standards	Construction activities will comply with national labor laws and regulations. Basic rights and principles will be recognized.	No impacts	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action ¹⁸ <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Affordability	Power generated will be distributed through the grid.	No impacts	<input type="checkbox"/> Action <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain
Other Risks and/or Vulnerabilities <input type="checkbox"/> HIV/AIDS <input type="checkbox"/> Human Trafficking <input type="checkbox"/> Others (conflict, political instability, etc.), please specify	None.	No impacts	<input type="checkbox"/> Plan <input type="checkbox"/> Other Action <input checked="" type="checkbox"/> No Action <input type="checkbox"/> Uncertain

IV. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference (TOR) for the PPTA (or other due diligence) include poverty, social and gender analysis and the relevant specialist(s)?

Yes No If no, please explain why.

PPTA is only funding specific elements of the full feasibility study, which is already underway. However, ADB's safeguard requirements will be adhered to in the event ADB finances the project.

2. Are resources (consultants, survey budget, and workshop) allocated for conducting poverty, social and/or gender analysis, and consultation and participation during the PPTA or due diligence? Yes No If no, please explain why.